

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

15904

Agenda Number

14.

Meeting Date:

June 14, 2012

Department:

Purchasing

Subject

Authorize award and execution of a 36-month requirements supply contract with INDUSTRIAL ASPHALT, LLC., to provide an alternate hot mix asphaltic concrete contract for the Public Works Department, in an estimated amount not to exceed \$26,533,200 with three 12-month extension options in an estimated amount not to exceed \$8,844,400 for each extension option, for a total estimated contract amount not to exceed \$53,066,400.

Amount and Source of Funding

Funding in the amount of \$2,211,100 is available in the Fiscal Year 2011-2012 Operating Budget of the Public Works Department. Funding for the remaining 33 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:

Lowest bid meeting specifications.

Prior Council Action:



For More Information:

Erin Grace, Buyer I, 972-4017

Boards and
Commission Action:

Related Items:

MBE / WBE:

This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Additional Backup Information

This is to establish an alternate contract for the annual supply of hot mix asphaltic concrete to be used by the Public Works Department for on-going asphalt pavement overlays, pavement repairs, temporary driveways, and utility cut repairs. The alternate Vendor will supply the hot mix on an as needed basis when the primary Vendor isn't available, and will have the materials available for pick-up during normal working hours and days. The contract provides for the purchase of up to 119,000 tons per year, over the six year duration of the contract.

MBE/WBE solicited: 6/2

MBE/WBE bid: 0/0

BID TABULATION
IFB No. BKH0148-A
Primary Hot Mix Asphalt Concrete
(12 line items)

<u>Vendor</u>	<u>Total Price</u>
APAC-Texas, Inc. Round Rock, TX	\$7,347,625*
Industrial Asphalt LLC Austin, TX	\$8,844,400

*Since APAC-Texas, Inc. was awarded the primary contract, they are unable to be awarded the secondary contract.

The expenditures for the first 12 months of this contract are estimated to be \$8,844,400.

A copy of the complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-nine notices were sent, including six MBEs and two WBEs. Two bids were received, with no response from the MBEs/WBEs.
- c. The previous contract for these supplies was based on much lower quantities, different asphalt, and the sale of asphalt. These changes make this contract not directly comparable to the previous contract.

APPROVAL JUSTIFICATION

- a. Lowest bid meeting specifications of two bids received.
- b. The Purchasing Office concurs with the Public Works Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.